

SURREBUTTAL TESTIMONY AND EXHIBITS OF
WILLIAM C. KLECKLEY
ON BEHALF OF
THE SOUTH CAROLINA OFFICE OF REGULATORY STAFF
DOCKET NO. 2021-2-E
IN RE: ANNUAL REVIEW OF BASE RATES FOR FUEL COSTS FOR
DOMINION ENERGY SOUTH CAROLINA, INC.

Q. PLEASE STATE YOUR NAME, BUSINESS ADDRESS AND OCCUPATION.

A. My name is William C. Kleckley. My business address is 1401 Main Street, Suite 900, Columbia, South Carolina 29201. I am employed by the State of South Carolina as a Senior Auditor for the Office of Regulatory Staff (“ORS”).

Q. DID YOU FILE DIRECT TESTIMONY RELATED TO THIS PROCEEDING?

A. Yes. I filed direct testimony and nine (9) exhibits with the Public Service Commission of South Carolina (“Commission”) on March 16, 2021.

Q. WHAT IS THE PURPOSE OF YOUR SURREBUTTAL TESTIMONY IN THIS PROCEEDING?

A. The purpose of my surrebuttal testimony is to provide ORS Surrebuttal Audit Exhibits WCK-5 and WCK-9 which update Audit Exhibits WCK-5 and WCK-9 that were filed with my direct testimony. These updated exhibits provide changes to Distributed Energy Resource Program (“DERP”) incremental costs included as part of Dominion Energy South Carolina, Inc.’s (“DESC” or “Company”) witness Rooks’ corrected and responsive testimony in this proceeding. The update affects the costs detailed for DERP incremental costs during the period of January 2021 through April 2021 (“Estimated Period”), which are

figures provided by the Company and are unaudited by ORS. ORS presents these figures in the Estimated Period for Commission consideration.

Q. PLEASE EXPLAIN THE IMPACTS TO DERP INCREMENTAL COSTS IN SURREBUTTAL AUDIT EXHIBIT WCK-9 AS A RESULT OF COMPANY WITNESS ROOKS' CORRECTED EXHIBIT NO. ____ (AWR-8) CONTAINED IN HIS CORRECTED AND RESPONSIVE TESTIMONY.

A. The impact to Surrebuttal Audit Exhibit WCK-9 is an updated estimated cumulative under-recovery balance through April 2021 of \$7,100,673. Company witness Rooks' Corrected Exhibit No. ____ (AWR-8) reports a cumulative under-recovery balance through April 2021 of \$7,100,680. The variance between ORS's and the Company's ending balance for April 2021 is due to rounding.

Q. PLEASE EXPLAIN THE IMPACTS TO SURREBUTTAL AUDIT EXHIBIT WCK-5 AS A RESULT OF COMPANY WITNESS ROOKS' CORRECTED EXHIBIT NO. ____ (AWR-8) CONTAINED IN HIS CORRECTED AND RESPONSIVE TESTIMONY.

A. The impact to Surrebuttal Audit Exhibit WCK-5 is the updated chart at the bottom of the exhibit which details the various fuel components and their respective cumulative (over)/under balances as of December 2020 and April 2021. Due to the update previously mentioned for Surrebuttal Audit Exhibit WCK-9, the DERP incremental cumulative under-recovery balance of \$7,100,673 through April 2021 is provided in the chart at the bottom of Surrebuttal Audit Exhibit WCK-5.

Q. WHAT ARE THE RESULTS OF THE COMPANY'S UPDATE TO DERP INCREMENTAL COSTS?

A. ORS agrees with the updated April 2021 DERP incremental cumulative under-recovery balance of \$7,100,680, as presented in Company witness Rooks' corrected and responsive testimony.

Q. WILL YOU UPDATE YOUR SURREBUTTAL TESTIMONY BASED ON INFORMATION THAT BECOMES AVAILABLE?

A. Yes. ORS fully reserves the right to revise its recommendations via supplemental testimony should new information not previously provided by the Company, or other sources, becomes available.

Q. DOES THIS CONCLUDE YOUR SURREBUTTAL TESTIMONY?

A. Yes, it does.

Office of Regulatory Staff
Details of the Computation of the (Over)/Under-Recovery of Base Fuel Costs
Dominion Energy South Carolina, Inc.
January 2020 - April 2021
Docket No. 2021-2-E

	Actual							
	January 2020	February 2020	March 2020	April 2020	May 2020	June 2020	July 2020	August 2020
Total Fuel Costs	\$ 41,903,570	\$ 33,703,051	\$ 31,999,534	\$ 27,787,457	\$ 36,604,820	\$ 40,397,742	\$ 50,058,317	\$ 51,079,789
Total System kWh Sales Excluding Intersystem Sales	1,808,984,163	1,756,894,675	1,694,586,959	1,499,548,929	1,483,859,543	1,888,381,564	2,235,866,124	2,247,902,671
Fuel Cost Per kWh Sales	\$ 0.023164	\$ 0.019183	\$ 0.018883	\$ 0.018531	\$ 0.024669	\$ 0.021393	\$ 0.022389	\$ 0.022723
Less: Base Cost Per kWh Included in Rates	\$ 0.02451	\$ 0.02451	\$ 0.02451	\$ 0.02451	\$ 0.02250	\$ 0.02250	\$ 0.02250	\$ 0.02250
Fuel Adjustment Per kWh	\$ (0.00135)	\$ (0.00533)	\$ (0.00563)	\$ (0.00598)	\$ 0.00217	\$ (0.00111)	\$ (0.00011)	\$ 0.00022
Retail kWh Sales	1,732,264,915	1,683,420,774	1,630,118,101	1,440,196,304	1,425,146,139	1,824,425,637	2,156,136,502	2,149,375,144
Current Month (Over)/Under-Recovery	\$ (2,338,558)	\$ (8,972,633)	\$ (9,177,565)	\$ (8,612,374)	\$ 3,092,567	\$ (2,025,112)	\$ (237,175)	\$ 472,863
Cumulative (Over)/Under-Recovery- Prior Month	\$ (8,415,146)	\$ (11,340,913)	\$ (22,494,995)	\$ (31,193,746)	\$ (39,007,889)	\$ (42,231,167)	\$ (48,364,032)	\$ (53,554,110)
Fixed Capacity Charges (A)	\$ (1,583,583)	\$ (1,583,583)	\$ (1,583,583)	\$ (1,583,583)	\$ (1,583,583)	\$ (1,583,583)	\$ (1,583,583)	\$ (1,583,583)
PR-1 Energy Credits (B)	\$ (691)	\$ (691)	\$ (691)	\$ (691)	\$ (691)	\$ (691)	\$ (691)	\$ (691)
Prior Month True-up Adjustments (C)	\$ (982,726)	\$ 522,160	\$ 340,886	\$ (398,550)	\$ 1,443,295	\$ (1,400,460)	\$ (1,121,414)	\$ (1,529,448)
ORS Adjustments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unbilled Fuel Costs (Over)/Under- Recovery Adjustments (D)	\$ 1,979,791	\$ (1,119,335)	\$ 1,722,202	\$ 2,781,055	\$ (6,174,866)	\$ (1,123,019)	\$ (2,247,215)	\$ (359,493)
Carrying Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cumulative (Over)/Under-Recovery	\$ (11,340,913)	\$ (22,494,995)	\$ (31,193,746)	\$ (39,007,889)	\$ (42,231,167)	\$ (48,364,032)	\$ (53,554,110)	\$ (56,554,462)

Office of Regulatory Staff
Details of the Computation of the (Over)/Under-Recovery of Base Fuel Costs
Dominion Energy South Carolina, Inc.
January 2020 - April 2021
Docket No. 2021-2-E

	Actual				Estimated			
	September 2020	October 2020	November 2020	December 2020	January 2021	February 2021	March 2021	April 2021
Total Fuel Costs	\$ 43,500,988	\$ 41,703,149	\$ 38,764,460	\$ 46,226,980	\$ 47,970,310	\$ 43,623,000	\$ 38,443,000	\$ 40,418,000
Total System kWh Sales Excluding Intersystem Sales	2,174,590,539	1,735,990,603	1,533,064,183	1,730,146,187	1,973,520,928	1,673,400,000	1,685,900,000	1,609,000,000
Fuel Cost Per kWh Sales	\$ 0.020004	\$ 0.024023	\$ 0.025286	\$ 0.026719	\$ 0.024307	\$ 0.026068	\$ 0.022803	\$ 0.025120
Less: Base Cost Per kWh Included in Rates	\$ 0.02250	\$ 0.02250	\$ 0.02250	\$ 0.02250	\$ 0.02250	\$ 0.02250	\$ 0.02250	\$ 0.02250
Fuel Adjustment Per kWh	\$ (0.00250)	\$ 0.00152	\$ 0.00279	\$ 0.00422	\$ 0.00181	\$ 0.00357	\$ 0.00030	\$ 0.00262
Retail kWh Sales	2,081,291,735	1,656,831,518	1,465,855,758	1,669,613,818	1,895,615,251	1,609,800,000	1,623,400,000	1,551,300,000
Current Month (Over)/Under-Recovery	\$ (5,203,229)	\$ 2,518,384	\$ 4,089,738	\$ 7,045,770	\$ 3,431,064	\$ 5,746,986	\$ 487,020	\$ 4,064,406
Cumulative (Over)/Under-Recovery- Prior Month	\$ (56,554,462)	\$ (57,698,689)	\$ (53,617,704)	\$ (53,484,073)	\$ (52,090,275)	\$ (50,243,485)	\$ (46,080,773)	\$ (47,178,027)
Fixed Capacity Charges (A)	\$ (1,583,583)	\$ (1,583,583)	\$ (1,583,583)	\$ (1,583,583)	\$ (1,583,583)	\$ (1,583,583)	\$ (1,583,583)	\$ (1,583,583)
PR-1 Energy Credits (B)	\$ (691)	\$ (691)	\$ (691)	\$ (691)	\$ (691)	\$ (691)	\$ (691)	\$ (691)
Prior Month True-up Adjustments (C)	\$ 340,121	\$ 867,955	\$ 960,200	\$ -	\$ -	\$ -	\$ -	\$ -
ORS Adjustments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unbilled Fuel Costs (Over)/Under- Recovery Adjustments (D)	\$ 5,303,155	\$ 2,278,920	\$ (3,332,033)	\$ (4,067,698)	\$ -	\$ -	\$ -	\$ -
Carrying Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cumulative (Over)/Under-Recovery	\$ (57,698,689)	\$ (53,617,704)	\$ (53,484,073)	\$ (52,090,275)	\$ (50,243,485)	\$ (46,080,773)	\$ (47,178,027)	\$ (44,697,895)

	December 2020	April 2021
Cumulative (Over)/Under Base Fuel Costs (Audit Exhibit WCK-5)	\$ (52,090,275)	\$ (44,697,895)
Cumulative (Over)/Under Environmental and Avoided Capacity Costs (Audit Exhibit WCK-7)	\$ (3,808,244)	\$ (4,873,904)
Cumulative (Over)/Under DERP Avoided Costs (Audit Exhibit WCK-8)	\$ (738,981)	\$ (507,870)
Cumulative (Over)/Under DERP Incremental Costs (Audit Exhibit WCK-9)	\$ 5,620,030	\$ 7,100,673
Net Cumulative (Over)/Under-Recovery Balance	\$ (51,017,470)	\$ (42,978,996)

Office of Regulatory Staff
Details of the Computation of the (Over)/Under-Recovery of Distributed Energy Resource Program Incremental Costs
Dominion Energy South Carolina, Inc.
January 2020 - April 2021
Docket No. 2021-2-E

	Actual							
	January 2020	February 2020	March 2020	April 2020	May 2020	June 2020	July 2020	August 2020
NEM Incentive	\$ 446,518	\$ 429,330	\$ 511,886	\$ 590,909	\$ 568,445	\$ 910,441	\$ 1,081,852	\$ 951,170
NEM Future Benefits	\$ (3,928)	\$ (3,847)	\$ (4,726)	\$ 46,441	\$ 57,030	\$ 57,267	\$ 61,035	\$ 54,282
NEM PBI	\$ 18,414	\$ 14,952	\$ 15,058	\$ 23,936	\$ 27,451	\$ 26,840	\$ 28,210	\$ 25,069
DER Depreciation Costs	\$ 64,326	\$ 64,337	\$ 64,340	\$ 64,346	\$ 64,357	\$ 64,363	\$ 64,182	\$ 64,119
BCA Incentive	\$ 239,777	\$ 234,855	\$ 259,292	\$ 320,405	\$ 386,385	\$ 390,569	\$ 392,116	\$ 370,732
Community Solar	\$ 109,124	\$ 110,687	\$ 214,829	\$ 133,547	\$ 216,089	\$ 336,587	\$ 219,247	\$ 184,626
Utility Scale Incentive	\$ 61,321	\$ 62,852	\$ 76,968	\$ 108,446	\$ 113,008	\$ 100,829	\$ 113,191	\$ 91,115
Administrative and General Expenses	\$ 45,373	\$ 34,007	\$ 197,444	\$ 33,516	\$ 61,083	\$ 33,924	\$ 41,340	\$ 33,769
Carrying Costs	\$ 54,874	\$ 56,390	\$ 53,519	\$ 53,128	\$ 52,648	\$ 49,254	\$ 49,827	\$ 50,702
Total Incremental Costs	\$ 1,035,799	\$ 1,003,563	\$ 1,388,610	\$ 1,374,674	\$ 1,546,496	\$ 1,970,074	\$ 2,051,000	\$ 1,825,584
Amounts Billed to Customers	\$ 1,260,203	\$ 1,146,794	\$ 1,204,946	\$ 1,261,910	\$ 1,213,375	\$ 1,280,626	\$ 1,283,962	\$ 1,283,042
(Over)/Under-Recovery-Current Month	\$ (224,404)	\$ (143,231)	\$ 183,664	\$ 112,764	\$ 333,121	\$ 689,448	\$ 767,038	\$ 542,542
(Over)/Under-Recovery-Prior Month	\$ 3,271,553	\$ 3,110,972	\$ 2,960,294	\$ 3,164,571	\$ 3,246,490	\$ 3,508,328	\$ 4,245,792	\$ 5,073,777
Prior Month True-up Adjustments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ORS Adjustments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unbilled DERP Incremental Costs								
(Over)/Under-Recovery Adjustments (J)	\$ 63,823	\$ (7,447)	\$ 20,613	\$ (30,845)	\$ (71,283)	\$ 48,016	\$ 60,947	\$ (56,119)
Cumulative (Over)/Under Recovery Balance	\$ 3,110,972	\$ 2,960,294	\$ 3,164,571	\$ 3,246,490	\$ 3,508,328	\$ 4,245,792	\$ 5,073,777	\$ 5,560,200

Office of Regulatory Staff
Details of the Computation of the (Over)/Under-Recovery of Distributed Energy Resource Program Incremental Costs
Dominion Energy South Carolina, Inc.
January 2020 - April 2021
Docket No. 2021-2-E

	Actual				Estimated			
	September 2020	October 2020	November 2020	December 2020	January 2021	February 2021	March 2021	April 2021
NEM Incentive	\$ 831,075	\$ 610,780	\$ 459,211	\$ 472,171	\$ 460,263	\$ 747,827	\$ 653,043	\$ 1,065,686
NEM Future Benefits	\$ 49,421	\$ 45,665	\$ 34,124	\$ 35,559	\$ 34,127	\$ 49,941	\$ 595,605	\$ 71,168
NEM PBI	\$ 22,405	\$ 20,327	\$ 15,015	\$ 15,403	\$ 19,504	\$ 23,775	\$ 28,113	\$ 33,336
DER Depreciation Costs	\$ 64,124	\$ 64,036	\$ 64,051	\$ 63,127	\$ 61,250	\$ 61,250	\$ 61,250	\$ 61,250
BCA Incentive	\$ 331,814	\$ 50,773	\$ 718,438	\$ 397	\$ 205,484	\$ 250,484	\$ 249,519	\$ 351,204
Community Solar	\$ 203,302	\$ 143,486	\$ 123,283	\$ 174,276	\$ 138,117	\$ 169,020	\$ 264,347	\$ 238,190
Utility Scale Incentive	\$ 80,945	\$ 81,318	\$ 66,389	\$ 60,993	\$ 73,283	\$ 89,331	\$ 105,631	\$ 125,252
Administrative and General Expenses	\$ 12,190	\$ 80,565	\$ 21,391	\$ 50,627	\$ 43,967	\$ 44,131	\$ 45,306	\$ 32,286
Carrying Costs	\$ 51,061	\$ 51,446	\$ 51,098	\$ 50,659	\$ 49,610	\$ 49,164	\$ 48,715	\$ 48,262
Total Incremental Costs	\$ 1,646,337	\$ 1,148,396	\$ 1,553,000	\$ 923,212	\$ 1,085,605	\$ 1,484,923	\$ 2,051,529	\$ 2,026,634
Amounts Billed to Customers	\$ 1,287,750	\$ 1,349,994	\$ 1,166,716	\$ 1,292,012	\$ 1,292,012	\$ 1,292,012	\$ 1,292,012	\$ 1,292,012
(Over)/Under-Recovery-Current Month	\$ 358,587	\$ (201,598)	\$ 386,284	\$ (368,800)	\$ (206,407)	\$ 192,911	\$ 759,517	\$ 734,622
(Over)/Under-Recovery-Prior Month	\$ 5,560,200	\$ 5,916,235	\$ 5,708,097	\$ 6,006,487	\$ 5,620,030	\$ 5,413,623	\$ 5,606,534	\$ 6,366,051
Prior Month True-up Adjustments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ORS Adjustments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unbilled DERP Incremental Costs								
(Over)/Under-Recovery Adjustments (J)	\$ (2,552)	\$ (6,540)	\$ (87,894)	\$ (17,657)	\$ -	\$ -	\$ -	\$ -
Cumulative (Over)/Under Recovery Balance	\$ 5,916,235	\$ 5,708,097	\$ 6,006,487	\$ 5,620,030	\$ 5,413,623	\$ 5,606,534	\$ 6,366,051	\$ 7,100,673